

# 2008 GENERAL SESSION FISCAL NOTE WORKSHEET XI (Revised Jan. 2008)

REVISED

Agency: UTAH STATE OFFICE OF EDUCATION Bill Number HB 471

TITLE OF BILL: EDUCATOR COMPENSATION MODIFICATIONS by Representative Gregory H. Hughes

Requested by: Patrick Lee

Fax/Electronic Mail Transmittal To:

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Name:	<u>Patrick Lee</u>
Date:	<u>February 19, 2008</u>
Fax Number:	

Please return to Fiscal Analyst by: February 20, 2008

This Bill Takes Effect: ☐ On passage ☐ On July 1 ☒ 60 Days after session ☐ Other \_\_\_\_\_

Bill Carries Own Appropriation: ☐

## FISCAL IMPACT OF PROPOSED LEGISLATION

	FY 2008 Supp.	FY 2009	FY 2010
<b>A. REVENUE IMPACT BY SOURCE OF FUNDS</b>			
1. General Fund			
2. Uniform School Fund - Education Fund			
3. Transportation Fund			
4. Collections			
5. Other Funds (List Below)			
6 Local Funds			
<b>7. TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## B. EXPENDITURE IMPACT:

<b>By Source of Funds</b>			
1. General Fund		<b>\$190,000</b>	<b>\$190,000</b>
2. General Fund, One Time	<b>\$127,000</b>		
3. Uniform School Fund - Education Fund		<b>\$6,000,000</b>	<b>\$6,000,000</b>
3. Transportation Fund			
4. Collections			
5. Other Funds (List Below)			
6. Local Funds			
<b>7. TOTAL</b>	<b>\$ 127,000</b>	<b>\$ 6,190,000</b>	<b>\$ 6,190,000</b>
<b>By Expenditure Category</b>			
1. Salaries, Wages and Benefits	<b>\$127,000</b>	<b>\$190,000</b>	<b>\$190,000</b>
2. Travel			
3. Current Expenses			
4. D.P. Current Expenses			
5. Capital Outlay			
6. D.P. Capital Outlay			
7. Other (Specify) <u>Teacher Salary Supplement Restricted Ac</u>		<b>\$6,000,000</b>	<b>\$6,000,000</b>
<b>8. TOTAL</b>	<b>\$ 127,000</b>	<b>\$ 6,190,000</b>	<b>\$ 6,190,000</b>

## C. IMPACT IN FUTURE YEARS?

*If no fiscal impact in the first two years, indicate any impact in future years, and explain. Also, indicate any significant changes in fiscal impact beyond the first two years. (Use back side, or attachment, if necessary.)*

Cathy Dudley MSP Budget and Property Tax Specialist - USOE 801.538.7667 February 19, 2008  
Prepared By Title Agency Phone # Date

**D. Identify Sections of the Bill That Will Generate the Additional Workload or Cost Increase**

*Lines 90-99 and Lines 109-111 will generate additional workloads for the Department of Human Resource Management and Lines 122-125 will generate additional workload for the State Board of Education.*

**E. Expenditure Impact Details (Ties to totals in Section C)**

*List and document methodology and/or assumptions used in determining need for workload and cost increase.  
List number, type, and step ranges of personnel required, including benefits.  
List details of other impacted expenditure categories as shown in Section C.  
List additional space requirements and cost associated with requirements of this bill.  
(USE ATTACHMENTS IF NECESSARY.)*

*The \$127,000 appropriated as a one-time allocation for FY07-08 will help the Department of Human Resource Management (DHRM) in setting up the Teacher Salary Supplement Program. This money will be used for staffing and technical purposes. The \$190,000 appropriated as on-going will be used by DHRM for staffing and technical purposes to keep this program going. The \$6 million will be used to send out to qualified teachers as specified in this bill.*

*With this money, DHRM can hire a Human Resource Analyst and Technician to create an on-line application system for teachers to apply to receive a salary supplement through the Teacher Salary Supplement Program. DHRM will determine if a teacher is an eligible teacher and verify this determination with school district and school administrators.*

*The Division of Finance will distribute the monies from the Teacher Salary Supplement Restrict Account to school districts and charter schools after notification from DHRM.*

*The State Board of Education shall cooperate with DHRM by providing or verifying teacher data, as requested, and making information technology resources available.*

**F. No Fiscal Impact or Will Not Require Additional Appropriations?**

*Specify why this bill will have no fiscal impact on your agency or institution.  
Specify how you will reallocate workloads, resources, or funding sources to eliminate need for additional appropriations. (USE ATTACHMENTS IF NECESSARY.)*

**G. If Bill Carries Its Own Appropriation:**

*Indicate if the amount appropriated is adequate to meet the purposes of the bill.  
Are there future additional costs anticipated beyond the appropriation in the bill? **According to information just received, there is a total of 575.5 FTEs in Science and 1,401 FTEs in Math. If all of these educators are eligible teachers as defined in the bill and they receive \$5,000 annually, there would need to be a total appropriation of \$9,882,500  $((575.5 + 1,401) \times \$5,000)$ . If only 50% of those are eligible, the appropriation would only need to be \$4,941,250  $(1,976.5/2) \times \$5,000$  which is sufficient at this time.***

*So depending on how many eligible teachers there are, the appropriation may not be enough. However, on lines 126-128 there is a statement that says if the appropriation for the program is insufficient to cover the costs associated with salary supplements, DHRM may limit or reduce the salary supplements.*

*Also, the bill states that money appropriated for the program shall include money for the employer paid benefits. Does that mean those amounts will have to come out of the \$5,000 supplement to teachers.*

**H. Impact on Local Governments, Businesses, Associations, and Individuals**

*Specify requirements in the bill that drive the impact on local governments.  
Indicate costs or savings that are **DIRECT and MEASURABLE**. If direct and measurable data are not available, are there areas that potentially could have a fiscal impact? (USE ATTACHMENT IF NECESSARY.)*

Local Governments:

*By providing a Teacher Salary Supplement to teachers who teach math, science, chemistry, or physics there could be more teachers who go into these areas.*

Businesses and Associations:Individuals:

*Students will benefit by having more teachers who teach these areas.*

This is a draft fiscal note response from the Utah State Office of Education (USOE) and may be revised in the future.

This fiscal note input draft does not imply endorsement of this bill by the State Board of Education or USOE.